General Assembly
Official Records
Sixty-ninth Session
Supplement No. 34

A/69/34

Report of the Joint Inspection Unit for 2014 and programme of work for 2015

United Nations • New York, 2015

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Note

Symbols of United Nations documents are composed of letters combined with figures. Mention of such a symbol indicates a reference to a United Nations document.

ISSN 0255-1969

[21 January 2015]

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Abbreviations

CEB	United Nations System Chief Executives Board for Coordination
ECA	Economic Commission for Africa
ECLAC	Economic Commission for Latin America and the Caribbean
FAO	Food and Agriculture Organization of the United Nations
IAEA	International Atomic Energy Agency
ICAO	International Civil Aviation Organization
ICSC	International Civil Service Commission
ILO	International Labour Organization
IMO	International Maritime Organization
IPSAS	International Public Sector Accounting Standards
ITC	International Trade Centre
ITU	International Telecommunication Union
OHCHR	Office of the United Nations High Commissioner for Human Rights
OIOS	Office of Internal Oversight Services
PAHO	Pan American Health Organization
UNAIDS	Joint United Nations Programme on HIV/AIDS
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNFPA	United Nations Population Fund
UN-Habitat	United Nations Human Settlements Programme
UNHCR	Office of the United Nations High Commissioner for Refugees
UNICEF	United Nations Children's Fund
UNIDO	United Nations Industrial Development Organization
UNODC	United Nations Office on Drugs and Crime
UNOPS	United Nations Office for Project Services
UNRWA	United Nations Relief and Works Agency for Palestine Refugees in the Near East

UN-Women	United Nations Entity for Gender Equality and the Empowerment of Women
UNWTO	World Tourism Organization
UPU	Universal Postal Union
WFP	World Food Programme
WHO	World Health Organization
WIPO	World Intellectual Property Organization
WMO	World Meteorological Organization

Mission statement*

As the only independent external oversight body of the United Nations system mandated to conduct evaluations, inspections and investigations system-wide, the Joint Inspection Unit aims to:

(a) Assist the legislative organs of the participating organizations in meeting their governance responsibilities in respect of their oversight function concerning management by the secretariats of human, financial and other resources;

(b) Help to improve the efficiency and effectiveness of the respective secretariats in achieving the legislative mandates and the mission objectives established for the organizations;

(c) Promote greater coordination among the organizations of the United Nations system;

(d) Identify best practices, propose benchmarks and facilitate information-sharing throughout the system.

* See A/66/34, annex I, on the revised strategic framework of the Joint Inspection Unit for 2010-2019.

Message by the Chair

In accordance with article 10, paragraph 1, of the statute of the Joint Inspection Unit of the United Nations system, I have the honour to submit the present annual report. This report presents the work, accomplishments and challenges of the Unit for the period from 1 January to 31 December 2014. It also includes a description of its proposed programme of work for 2015.

The Unit continued its reform process by making improvements in the areas under its direct purview, including strategic planning and priority-setting in response to changing demands; adopting new approaches in the ways it works; enhancing the professional and technical rigour of its work; and engaging in partnerships and global platforms to share knowledge and perspectives about the United Nations system and new changes and challenges. In general, the revision of its internal working procedures stands to enhance efficiency in its operation.

The Unit produced nine reports and one note in 2014. Seven were system-wide reviews. They addressed policies for coherence and management and risk issues. Three reviews concerned individual organizations (OHCHR, UNWTO and WIPO). It is expected that the implementation of the recommendations made in the Unit's reports will result in tangible management improvements through enhanced effectiveness and efficiency.

In accordance with General Assembly resolution 68/266, the Unit has continued its efforts to improve the process for selection of subjects for its programme of work. The consultation process in the identification of topics was expanded to include not only the management of the Unit's participating organizations, but also the oversight and evaluation community, including the United Nations Evaluation Group, representatives of internal audit services of the United Nations organizations and multilateral financial institutions and the members of the external oversight committees of the participating organizations.

The web-based tracking system provides an excellent platform for monitoring progress in acceptance and implementation of recommendations, as requested by Member States (see General Assembly resolution 68/266). During the third meeting of the focal points from the Unit's participating organizations, held in October 2014, the Unit received feedback on how to further improve the system.

With a view to achieving better planning, avoiding duplication and furthering synergy and cooperation, different meetings were held with oversight organs and bodies of the United Nations system organizations. In particular, the Unit chaired the seventeenth tripartite meeting of the United Nations Board of Auditors, OIOS and the Unit, in December 2014.

The Unit assumed a lead role in the establishment of the independent system-side evaluation mechanism requested by the General Assembly in its resolution 67/226 on the quadrennial comprehensive policy review of operational activities for development. A policy for independent system-wide evaluation was endorsed by Member States in Assembly resolution 68/229. Two pilot evaluations are to feed into the quadrennial comprehensive policy review to be undertaken in 2016. The conduct of these evaluations is subject to the mobilization of extrabudgetary resources. In 2014, resource mobilization resulted in pledges and contributions from Member States and the United Nations system organizations. A sustained resource mobilization effort will be required in 2015.

The lack of budgetary independence and the stagnation in its regular budget have prevented the Unit from achieving its full potential. The current budget submission process is not in full conformity with articles 17 and 20 of the Unit's statute. This hampers the Unit's independence. The statute requires that the Unit's original budget proposal be fully incorporated into the Secretary-General's overall budget estimates and submitted for consideration to the General Assembly with the comments of CEB and the advice of the Advisory Committee on Administrative and Budgetary Questions.

As the Unit approaches the fiftieth anniversary of its creation through a resolution of the General Assembly, we continue to work diligently in our constant commitment to better serve the interests of Member States and the participating organizations. While noticeable progress has been made on many fronts, the Unit will continue to improve its operations and provide stronger and more effective oversight in support of the United Nations system.

(*Signed*) Jorge **Flores Callejas**
Chair

Geneva, 21 January 2015

Chapter I
Major areas of activity in 2014

A. Ongoing reform of the Joint Inspection Unit

1. In 2014, the Joint Inspection Unit of the United Nations system gave new impetus to reform by making its work more responsive to the needs of Member States and other stakeholders. The aim was to better position the Unit as the only system-wide independent external oversight body, with a broad mandate for evaluation, inspection and investigation of the United Nations system.

2. In line with the original strategic framework of the Unit for 2010-2019 (see A/63/34, annex III, paras. 15 and 27 (d)), the Unit conducted in 2013 a self-evaluation, which was validated by an external peer review panel, as recalled in General Assembly resolution 67/256 (see A/68/34, annex I). In 2014, the Unit took decisive steps to implement the panel's recommendations. Nine of the fifteen recommendations addressed to the Unit have been implemented or are in the process of being implemented. Two of the implemented ones relate to the election of inspectors (identification of upcoming vacancies and skills needed), and the investigation capacity of the Unit. Four of the recommendations that are in the process of being implemented are related to the programme of work of the Unit and three others to increasing resource mobilization, outreach and quality assurance.

Redesigning the programme of work

3. In planning its future programme of work, the Unit adopted a longer-term two-track planning approach. In addition to the annual programme of work adopted for 2015 in accordance with its statute, a two-year rolling roster of projects was approved.

4. The establishment of a biennial roster enables the Unit to raise funds for more complex reviews and to enhance transparency vis-à-vis the oversight organs and bodies of its participating organizations, which would know in advance the future potential topics, thereby facilitating cooperation and avoiding duplication.

5. Thus, the consultative process has been enlarged to include the oversight community and, upon request, Member States. The United Nations Evaluation Group and the representatives of internal audit services of the United Nations organizations and multilateral financial institutions, as well as members of oversight committees of participating organizations, were invited to make suggestions based on their experience of risk areas in their organizations. The traditional involvement of the focal points of participating organizations in the prioritization of topics has been kept unchanged. This has made it possible to select subjects of higher interest in terms of relevance to stakeholders and to focus on risk areas.

Outreach to Member States

6. In 2014, the Unit enhanced its outreach to Member States in New York and Geneva with the aim of raising awareness about recent accomplishments of the Unit and the need to strengthen its oversight capacity. Contacts continued with the Chair of the Advisory Committee on Administrative and Budgetary Questions and with the Committee for Programme and Coordination.

7. Delegations were briefed on several occasions on different aspects of the work of the Unit, such as the annual programme of work, the results of the self-evaluation and peer review, the reform efforts, the demand for additional resources, both core and extrabudgetary, for specific projects and for the independent system-wide evaluation mechanism, and the budgetary process as a whole, which affects the Unit's independence.

8. Contacts were also made with the President of the General Assembly and different groups of Member States, as well as many individual countries. Those efforts were useful in terms of raising funds, obtaining support for the independence of the Unit and receiving suggestions on topics for its programme of work.

9. The participation of inspectors in sessions of the legislative or governing bodies of the Unit's participating organizations in New York, Geneva and Nairobi to introduce the Unit's reports were useful opportunities to enhance dialogue with Member States. In some cases, side events were organized to brief delegates on specific projects.

Outreach to participating organizations

10. The third meeting of the Unit's focal points, held in Geneva in October 2014, was attended by representatives of 21 participating organizations. The objectives of that meeting were to share information, take stock of developments, discuss issues of concern and make suggestions to address them. The constructive exchange of opinions has contributed to enhancing mutual understanding and cooperation, giving new impetus to the relationship of the Unit with its participating organizations.

11. The Unit also met with the executive management of the participating organizations to discuss issues of common interest. Interlocutors reiterated support for the work of the Unit and confirmed their readiness to continue to enhance cooperation. In some cases, this resulted in extrabudgetary funding for specific projects. For example, the review of the system-wide implementation of full and productive employment and decent work for all was mostly financed with resources provided by ILO. Another example is the review of safety and security in the United Nations system, which was partially financed by a WFP contribution, with support for field travel from the Department of Peacekeeping Operations.

12. Meetings were also held with the Secretary-General, his Chef de Cabinet and several Under-Secretaries-General and Assistant Secretaries-General from the Department of Management, the Department of Peacekeeping Operations, the Department for General Assembly and Conference Management and the Office of Internal Oversight Services, and the Secretary of CEB to discuss specific issues that affected the work of the Unit.

13. The Unit intends to expand its outreach activities in 2015 and subsequently use the fiftieth anniversary of its founding as a branding opportunity, subject to the availability of funding.

Improved relationships with other oversight and coordinating bodies

14. The scope of interactions with oversight bodies expanded in 2014. Meetings were organized with the heads of oversight at ILO, IMO, UNFPA, WHO, WIPO and WMO to discuss their planning processes and risk areas, and with the Chair of the

WHO Audit Committee to follow up on the implementation of the Unit's recommendations.

15. Inspectors also met with the internal oversight bodies of the United Nations and other participating organizations as part of their reporting work. The Unit intends to make these professional contacts more systematic in order to get useful input for the inspectors' reports and suggestions for its programme of work.

16. In December 2014, the Unit chaired the annual tripartite meeting of the three oversight bodies: the Board of Auditors, OIOS and the Unit. The draft programmes of work of the three bodies for 2015 were shared and discussed with a view to avoiding overlaps and duplication and achieving further synergy and cooperation on subjects of common interest.

17. The Unit participated in the annual meeting of the United Nations Evaluation Group in March 2014. Participants were briefed on the draft Unit's report on an analysis of the evaluation function in the United Nations system. The Unit was also represented at the Meeting of Representatives of Internal Audit Services of the United Nations Organizations and Multilateral Financial Institutions in September 2014 and the Conference of International Investigators in October 2014.

18. Interactions with the CEB secretariat continued and included the need to address the issue of the recommendations that the Unit had made to CEB.

Mobilizing additional resources

19. Over the years, the Unit has been working with a very restricted budget to meet the increasing demands of its stakeholders and enhance performance and delivery. To compensate for the shortage of regular budget funding, the Unit intensified its fundraising efforts in 2014. As the result of those efforts, the Unit obtained financing by traditional and other donors for specific projects (see paras. 97 and 98).

B. Reports and notes issued in 2014

20. In 2014, the Unit produced six system-wide reports and one note addressing: policies for coherence, management and risk issues in the areas of resource mobilization; capital refurbishment and construction; environmental governance; the evaluation function; the use of non-staff personnel and related contractual modalities; contract management and administration; and the use of retirees. Reviews of individual organizations were completed for OHCHR, UNWTO and WIPO (see the summaries in paras. 22-54 and the list in annex I).

21. In addition, non-report projects included an inception paper for the system-wide review of results-based management in the United Nations system and support to the start-up phase of the independent system-wide evaluation mechanism.

Summaries of key findings and recommendations of reports and notes completed in 2014

Analysis of the resource mobilization function within the United Nations system (A/69/737)

22. An analysis of the resource mobilization function within the United Nations system found that only five organizations did not have an organization-wide strategy for resource mobilization, leading to the recommendation that the legislative bodies periodically review their organizations' strategies and policies, including by providing political guidance and oversight. The executive heads should also put in place clearly identifiable structures and arrangements with primary responsibility for resource mobilization.

23. Most Member State donors agreed that the United Nations development system needed multi-year commitments and non-earmarked funds for better mandate delivery. However, the ratio of non-assessed to assessed contributions had expanded significantly in recent years, restricting the use of funds. Donors maintained that strengthening core resources was a desirable goal, but many factors shifted them towards non-core contributions. The Unit recommended that the legislative bodies request Member States, when providing specified contributions, to make them predictable, long-term and in line with the core mandate and priorities of the organization.

24. The leaders in resource mobilization were the organizations that relied on voluntary contributions, but even those organizations depended on a small number of donors for the overwhelming part of their funding. The emergence of non-traditional non-State donors — the private sector, corporate entities, philanthropic foundations and high-net-worth individuals — brought along risks that the Unit recommended managing. Due diligence processes and procedures for dealing with potential fraud, misconduct, misappropriations and financial wrongdoing were equally important to donors and the organizations. Demands for additional reporting requirements had built-in resource implications and higher transaction costs and, to this end, the Unit recommended in its report that the executive heads organize dialogues with donors to agree upon common reporting requirements, taking the single audit principle fully into account.

Review of management and administration in the World Intellectual Property Organization (JIU/REP/2014/2)

25. This report was the first full-scope review of management and administration in WIPO produced by the Unit. It was conducted following a major change management exercise known as the Strategic Realignment Programme for 2008-2012 and, therefore, found a number of areas that had undergone significant reforms or were still in transition (such as strategic planning and budgeting, and human resources management).

26. The inspectors made 10 formal recommendations: one, addressed to the WIPO General Assembly, on governance; one, addressed to the Coordination Committee, on human resources issues; and eight addressed to the Director General as the executive head of the organization. Concerning the complex WIPO governance framework, the recommendations focused on strengthening the capacity of the governing bodies to guide and monitor the work of the organization and on further

building a reference framework for the management committees and organizational units.

27. Most recommendations were welcomed and WIPO reported on initial implementation steps. Apart from formal recommendations, a number of additional suggestions were made with reference to the United Nations system standards and good practices in various administrative areas, which also received positive attention from Member States. In September 2014, the Programme and Budget Committee of WIPO recognized the important role of the Unit in undertaking management and administrative reviews of the United Nations system organizations.

Capital, refurbishment and construction projects across the United Nations system organizations (JIU/REP/2014/3)

28. This study presented key lessons learned from capital, refurbishment and construction projects across the United Nations system organizations. The Unit recommended best practices that should be applied during the different phases of the life cycle of all projects (pre-planning, planning, execution and completion), irrespective of their location, scale and type.

29. The Unit also recommended that the United Nations system organizations establish a coordination body to disseminate best practices and lessons learned regarding refurbishment and construction.

30. A main finding of the study was that few organizations had started to take into account their overall global needs for construction and refurbishment of buildings and their systems in order to plan and prioritize projects. The projects reviewed had been planned individually and not as part of a global strategy. Therefore, the inspectors welcomed the establishment of capital master plans that forecast the organizations' long-term refurbishment and construction needs as a standard good practice within the United Nations system.

Review of environmental governance within the United Nations system (A/69/763)

31. This review was a follow-up to the Unit's management review of environmental governance within the United Nations system published in 2008 (A/64/83-E/2009/83), which contributed to strengthening environmental governance within the United Nations system, including multilateral environmental agreements. It assessed the situation of international environmental governance within the context of the institutional framework for sustainable development agreed upon at the United Nations Conference on Sustainable Development, which called for policy coherence, efficiency, reduction of duplication and overlap, and enhanced coordination and cooperation among the United Nations system entities.

32. The Unit found notable improvements in some specific areas, such as better governance with the universal membership of the UNEP governing bodies; the empowerment of UNEP to lead efforts to formulate United Nations system-wide strategies on the environment; stronger networking and partnership among a number of organizations of the United Nations system, as well as synergy and clustering efforts of multilateral environmental agreements, and a stronger involvement of those agreements in sustainable development; mainstreaming of the environmental dimension of sustainable development in operational activities at the country level; and an impressive growth in multilateral resources available for environment

activities undertaken by United Nations system organizations, which more than doubled over a six-year period to reach $4 billion in 2012.

33. However, the report revealed that further action was required to respond to the call by the United Nations Conference on Sustainable Development. In that respect, the Unit not only reiterated its recommendations of 2008, but also put forward 13 recommendations addressed to the General Assembly and the United Nations Environment Assembly of UNEP, as well as to executive heads of the United Nations system organizations.

34. The report was discussed at the second annual subcommittee meeting of the Committee of Permanent Representatives to UNEP, held from 27 to 30 October 2014 in Nairobi, pending the submission of the comments of the CEB member organizations by the Secretary-General.

Follow-up inspection pursuant to the review of management and administration in the World Tourism Organization undertaken in 2009 (JIU/REP/2014/5)

35. The review took stock of the implementation status of the 26 recommendations of the management and administration review of UNWTO undertaken in 2009, a few years after the Organization joined the United Nations system (2003). For the first time in recent years, the Unit undertook a review to assess by itself the status of reported acceptance and implementation of previous recommendations. Most of them had been accepted and many had been implemented. The review identified a couple of agreed recommendations to be pursued and fully implemented, such as the clarification of the degree of control of the organization over its satellites entities, the setting-up of an internal oversight function within the secretariat and the use of the Chinese language (pending the ratification by a majority of member States).

36. The review also called for an urgent reconsideration of four issues: the implementation of a results-based management approach within the Organization; the continued absence of summary records or minutes of the legislative body meetings (a basic ingredient for good governance); the need for equal treatment of all full members with regard to their duties to finance the post of Director of the Affiliate Members Programme and the equal eligibility of their nationals; and the inefficiencies of having three supreme audit institutions elected as the UNWTO external auditors.

Analysis of the evaluation function in the United Nations system (JIU/REP/2014/6)

37. The evaluation function is a main instrument of support in addressing demands for accountability for results and added-value, for learning, improvement and knowledge development, and for strengthening the United Nations leadership role in global governance and in directing reforms that influence the lives of people worldwide.

38. The study presented a comprehensive analysis of the evaluation function covering 29 United Nations system organizations. It assessed the critical components that defined a relevant, independent and credible evaluation function, the level of readiness of the function for emerging changes and challenges, and the enabling factors that supported the function. The study focused primarily on the central and secondarily on the decentralized evaluation function.

39. The study found that the quest for quality and efficiency had led to growth in the central evaluation function through the years, but the level of commitment to evaluation across the United Nations system was not commensurate with the growing demand and importance of the function. The quality of evaluation systems, mechanisms and outputs varied across the organizations. In most cases, the level of advancement was affected by the size of the organization, the resources committed to evaluation and the structural location of the function.

40. The report contained recommendations to improve the evaluation function. They addressed: the need for organizations to deal with systemic constraints associated with the function being underresourced and overstretched and, therefore, unprepared to respond to emerging demands; the need to be more strategic in balancing priorities between accountability and the development of the learning organization; and the need for organizations to apply more integrative and system-based approaches to enhance the coherence, impact and sustainability of the function.

41. The Unit called for being open to restructuring the function to support change and transformation in today's world, including enhanced linkages between central and decentralized evaluation, more joint and system-wide evaluations and mechanisms for quality assurance, linkages with national evaluation systems and support for the development of evaluation capacity.

42. In addition, the Unit found that very few organizations had defined institutional frameworks for decentralized evaluations. The purpose, level of development and overall integrity of decentralized evaluations were ambiguous. The Unit called for dedicated effort and resources to address the strategic positioning and comparative value of decentralized evaluation in the current context, and for the development of an appropriate institutional framework and of mechanisms adapted to the decentralized function.

Review of management and administration in the Office of the High Commissioner for Human Rights (JIU/REP/2014/7)

43. The first full-scope review of OHCHR by the Unit in more than a decade, conducted in response to the request made by the Human Rights Council in its resolution 22/2, was aimed at identifying areas for improvement in the management and administration of the Office. OHCHR, while part of the United Nations Secretariat, is unique, owing to the particular mandate of the High Commissioner, as defined in General Assembly resolution 48/141. Care was taken to ensure that nothing in the review would infringe, or impact adversely, on the independence of the High Commissioner. The review contained six recommendations: one addressed to the General Assembly, one to the Secretary-General and four to the High Commissioner. It also contained various suggestions for strengthening management practices.

44. The Unit called for streamlining the governance dynamics of OHCHR. To this end, the General Assembly, as the overarching governing body, should initiate an action-oriented review to strengthen the capacity of Member States to direct, guide and monitor the work of OHCHR. The Unit recommended strengthening systematic risk management and strategic planning at OHCHR. The review stressed the importance of increasing the sense of ownership of the Office by the Member States

and, at the same time, the need for the Office to be fully accountable to Member States.

45. In line with the request of the Human Rights Council, human resources management within OHCHR was analysed comprehensively. The report contained recommendations for achieving more equitable geographical representation and developing a comprehensive policy framework for human resources management, taking into account the specificities and needs of the Office. Another recommendation called for mainstreaming human rights across the United Nations system and improving coordination among OHCHR and other entities, in the context of the Secretary-General's Human Rights Up Front initiative. Other areas addressed included: resource mobilization, outreach and partnerships; rapid response and deployment mechanisms in emergency and crisis situations; gender equality; results-based management; the implementation of the Secretariat's accountability framework; the transparent management of trust funds; knowledge management; and the transparency of funding of special procedures mandate holders.

Use of non-staff personnel and related contractual modalities in the United Nations system organizations (JIU/REP/2014/8)

46. The review provided an assessment from a system-wide perspective of the use of non-staff personnel, including relevant policies, regulations, contractual practices and associated managerial processes in United Nations system organizations, with a special emphasis on field office practices.

47. The review found that a significant number of United Nations personnel were working under non-staff contracts. Many were working for extended periods under a de facto employment relationship with limited or no social benefits and without representation mechanisms and access to the internal justice system. The findings showed that the current system of hiring non-staff personnel was inconsistent with international good labour practices, operated without real oversight and accountability and presented risks for the organizations. Furthermore, there was a lack of congruence between the values of the United Nations organizations and the practice of differential treatment with no clear basis for such differences.

48. The Unit recommended that each organization concerned undertake an analysis of its own situation regarding the long-term use of non-staff personnel and prepare a short- to medium-term plan to address relevant issues. The plan, including an assessment of the financial resources required for its implementation, should be presented to governing bodies for their necessary support. The Unit also called for harmonizing non-staff personnel policy and practices at the level of CEB and the High-level Committee on Management. It made 13 recommendations in total: one addressed to the Secretary-General as Chair of CEB, one for consideration by legislative or governing bodies and 11 addressed to executive heads of United Nations system organizations.

Contract management and administration in United Nations system organizations (JIU/REP/2014/9)

49. United Nations system organizations awarded over $16 billion in contracts in 2013. This presents a substantial risk exposure that calls for robust governance structures and measures of accountability to ensure efficient and effective

management of contracts and minimize the risk of fraud, corruption and mismanagement. In recent years, procurement reforms have been initiated in most organizations to modernize procurement activities. The focus has been predominantly on pre-award activities that address vendor selection and achievement of the right contract price. In contrast, post-award contract management has been seriously overlooked, despite the fact that post-award activities are the ones that control performance, scope, quality and cost, and ensure compliance with contract terms and conditions.

50. This review found that post-award contract management was deficient on a number of fronts. In most organizations, there was a lack of policies and procedures, specific to contract management, and the responsibilities and accountabilities of persons managing contracts were not clearly defined. Moreover, the evaluation of vendor performance was often not conducted systematically, and remedies and sanctions in case of poor vendor performance were not judiciously enforced. Finally, existing information systems did not support post-award activities adequately and the monitoring of contract performance needed improvement to ensure that goods and services were delivered on schedule and within budget and expected quality standards.

51. The report contained recommendations aiming to establish proper management systems and to professionalize practices in contract management. In particular, the Unit recommended that a formal delegation of authority to persons managing contracts be put in place, that organizations conduct risk assessments at the start of the post-award phase, that information technology systems be improved to automate contract management, and that collaboration across the United Nations system to harmonize policies and procedures on post-award contract management be strengthened.

52. The similarity of contract management deficiencies across organizations demonstrated that a concerted effort by all stakeholders was needed to address this systemic challenge. The deficiencies identified in the report will continue to occur unless policies and procedures are further refined and specific action is taken to strengthen post-award contract management practices.

Use of retirees and staff retained beyond the mandatory age of separation at United Nations organizations (JIU/NOTE/2014/1)

53. The main finding of this review, which was proposed by the United Nations Secretariat, was that a significant proportion of retirees were retained beyond the mandatory age of separation or rehired, particularly in senior executive and General Service positions. While that practice allowed organizations to benefit from a wealth of knowledge and experience, it had an adverse impact on workforce rejuvenation and career development of staff at entities with a high number of older employees. Proper workforce and succession planning and knowledge transfer policies were lacking in most organizations, where the bulk of retirees rehired were aged between 60 and 65. If the proposed increase to 65 in the mandatory age of separation for current staff were approved, the proportion of older staff would grow even further and the need to retain staff and rehire retirees would then be limited to specific exceptional cases.

54. The note contained five recommendations. They addressed the need to promote flexible or phased retirement for eligible staff and to develop effective

workforce planning ensuring forecasted retirement, timely recruitment and knowledge-sharing practices to capitalize on the experience of staff due to retire and rehired retirees by using them for coaching and mentoring. They called upon executive heads to build a coherent regulatory framework for the approval of exceptions on the use of retiring and retired staff (based on relevant good practices with regard to the specific needs of certain organizations) and to set the tone at the top in terms of strict compliance with regulations and limiting exceptions to cases to be fully justified, regularly monitored and reported to legislative bodies. They aimed at ensuring that rehiring and retention in senior executive and General Service positions were restricted to instances where needs could not be met otherwise than through employing retirees as consultants.

C. Investigations

55. Investigations by the Unit focus on alleged violations of regulations and rules and other established procedures by executive heads, heads of internal oversight bodies, officials of the organizations other than staff members, and, on an exceptional basis, staff of organizations that do not have an in-house investigation capacity, resources permitting.

56. General principles and guidelines for investigations applied by the Unit seek to ensure conformity with the revised Uniform Guidelines for Investigations endorsed at the tenth Conference of International Investigators in 2009.

57. In 2014, the Unit received seven new complaints, of which four were processed and three remain open, pending the finalization of the full assessment by the investigation component of the Unit.

D. Independent system-wide evaluation of operational activities for development

58. In 2013, the General Assembly approved a new policy framework for partnership in the conduct of the independent system-wide evaluation of United Nations operational activities for development (see resolution 68/229). The initiative is guided by an interim coordination mechanism comprising the Unit and other entities involved in evaluations related to the quadrennial comprehensive policy review of operational activities for development of the United Nations system (see resolution 67/226).

59. In adopting the policy, the General Assembly decided to commission two pilot evaluations as inputs into the quadrennial comprehensive policy review to be undertaken in 2016: a meta-evaluation and synthesis of United Nations Development Assistance Framework evaluations, with a particular focus on poverty eradication, and an evaluation of the contribution of the United Nations development system to strengthening national capacities for statistical analysis and data collection to support the achievement of the Millennium Development Goals and other internationally agreed development goals.

60. The Unit is mandated to chair the evaluation management groups of both evaluations, host the independent system-wide evaluation coordination secretariat and administer a dedicated trust fund for extrabudgetary resources. The Unit is also tasked to review the recommendations made by the groups and issue independent

system-wide evaluation reports on their behalf, as well as follow-up reports, in line with article 12 of its statute.

61. During 2014, the Unit exercised leadership within the interim coordination mechanism, as far as the development of key elements for the successful launch of the initiative were concerned, for instance through drafting the concept notes of the two pilot evaluations, defining the terms of reference of the coordination secretariat and designing a resource mobilization strategy. The Unit also undertook a number of fundraising activities with Member States and other potential donors to collect the necessary funding.

62. Towards the end of 2014, contributions were made by two Member States (Ireland and Switzerland). This provided sufficient funding to undertake further scoping work for both pilots. The scoping phase is expected to assist with further resource mobilization, which will be required to proceed with fully fledged evaluations of the two pilots.

63. Significant efforts were also made to mobilize resources from within the United Nations system. Other members of the interim coordination mechanism made active contributions that complemented those of the Unit. The Office for the Coordination of Humanitarian Affairs offered the services of a full-time evaluation officer for a one-year period to fill the temporary position of coordinator in the coordination secretariat. UNICEF made a financial contribution at the end of 2014.

64. The coordinator works administratively under the supervision of the Unit's Executive Secretary and functionally under the substantive guidance of the Unit inspectors who chair the evaluation management groups. The Unit will manage the trust fund of the independent system-wide evaluation from Geneva.

65. The importance of conducting the two pilot evaluations during 2015 was reaffirmed by Member States during the sixty-ninth session of the General Assembly (see resolution 69/237). Countries in a position to do so were invited to provide extrabudgetary resources. The interim coordination mechanism is requested to report on progress during the operational activities segment of the Economic and Social Council, in 2015.

66. The Unit decided to include the two pilot evaluations in its programme of work for 2015, subject to the availability of extrabudgetary resources. Significant efforts will be required to mobilize the required funding in 2015 and complete the evaluations in a timely manner, so that they may become valuable inputs into the quadrennial comprehensive policy review of operational activities for development to be undertaken in 2016. Lessons learned during the process should guide the further development of the independent system-wide evaluation mechanism as from 2016.

E. Acceptance and implementation of recommendations of the Joint Inspection Unit

67. The rates of acceptance and implementation of recommendations have been used as the best proxy indicator of the use of the Unit's products. They are calculated on the basis of the input provided by participating organizations. [1]

[1] Recommendations issued in 2004 and 2005 are considered closed and their implementation is no longer monitored by the Unit.

Web-based tracking system

68. In recent years, the Unit has made considerable investments to improve its capacity to track the acceptance and implementation of recommendations, in accordance with several requests of the General Assembly (see resolutions 54/16, 55/230, 59/267, 59/272, 60/258, 62/246, 63/272, 64/262, 65/270, 66/259, 67/256 and 68/266). The web-based tracking system, introduced in 2012, has brought significant improvements in this regard. It serves not only as an online platform allowing participating organizations to access and update the status of recommendations, but also as a tool for reporting and statistical analysis, as it includes a graphic capability.

69. An upgraded version of the tracking system was introduced in June 2014. It brought enhancements in response to comments from various users. During the third meeting of the Unit's focal points, held in October 2014, participating organizations requested further improvement of the system's user-friendliness by developing adequate additional export formats and establishing a more effective way of collecting and sharing their comments and suggestions.

Number of recommendations

70. The Unit has made efforts to address the concerns of participating organizations about the high number of recommendations contained in its reports, notes and management letters. Table 1 below indicates the results of those efforts. The average number of recommendations by report, note and management letter has decreased from 11 in 2009 to 5.2 in 2014. Only critical recommendations are formulated as such and other suggestions are highlighted in the text of reports. These "soft" recommendations are not necessarily to be formally followed up, but executive managers are encouraged to implement them, taking into account the specific conditions of each organization.

Table 1
Number of Joint Inspection Unit reports, notes and management letters and recommendations, 2009-2014

	2009	*2010*	*2011*	*2012*	*2013*	*2014*	*Total 2009-2014*
Reports, notes and management letters							
System-wide and several organizations	6	8	10	13	5	7	47
Single organizations	5	3	2	4	2	3	19
Total reports, notes and management letters	**11**	**11**	**12**	**17**	**7**	**10**	**68**
Recommendations							
System-wide and several organizations	62	85	100	65	28	36	376
Single organizations	59	40	10	44	6	16	175
Total	**121**	**125**	**110**	**109**	**34**	**52**	**551**
Average number of recommendations by output	**11.0**	**11.4**	**9.2**	**6.4**	**4.9**	**5.2**	**8.1**

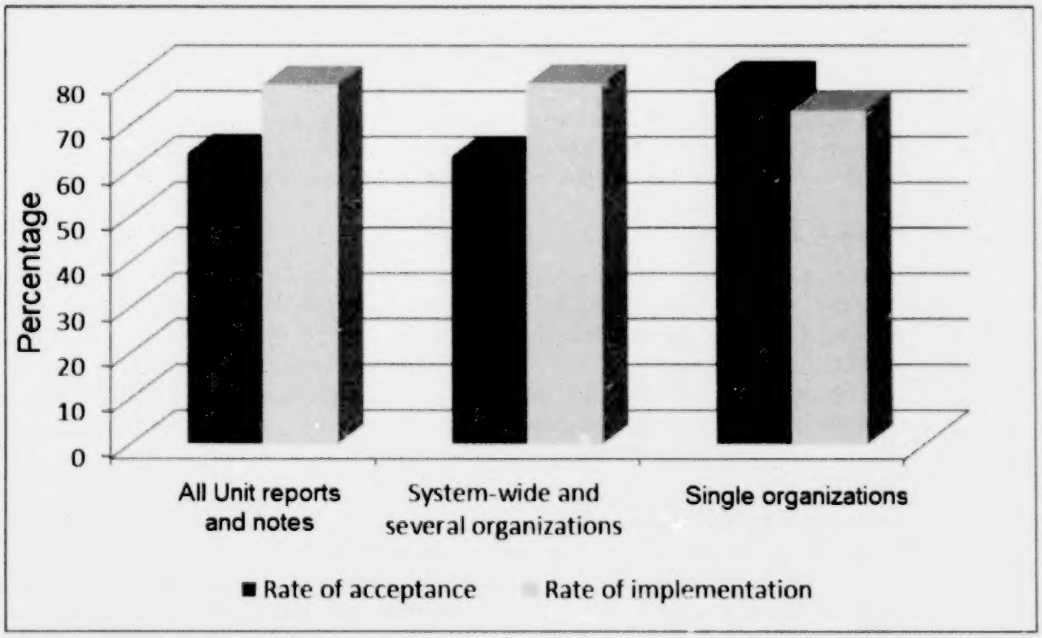
Source: Web-based tracking system, January 2015.

Acceptance and implementation rates of system-wide and single-organization recommendations

71. At the beginning of 2015,[2] the average rate of acceptance of recommendations made between 2006 and 2013 in single-organization reports and notes was higher (80 per cent) than that of system-wide recommendations and of recommendations addressed to several organizations (63 per cent) (see fig. 1).

72. Conversely, the implementation rate of recommendations during the same period contained in single-organization reports and notes was lower (73 per cent) than that of system-wide recommendations (79 per cent).

Figure I
Average rates of acceptance and implementation of recommendations by the Joint Inspection Unit (2006-2013)



Source: Web-based tracking system, January 2015.

73. These differences could be explained by the fact that recommendations addressed to a single entity are better tailored to the specific situation of the organization and therefore more relevant and accepted more readily by management.

74. Moreover, the implementation of accepted recommendations might take several years, as they often address structural issues, challenge established policies and practices and propose new directions, requiring cross-departmental and senior management or legislative body decisions. To enhance the chances of

[2] As at 6 January 2015. No input for 2013 was provided by IAEA, ITC, UNESCO, UN-Habitat, UNODC, UNWTO and UPU.

implementation, the Unit intends to engage in a more active dialogue with organizations during the preparation of system-wide reports and notes.

75. Two issues affect the rates of acceptance and implementation of the recommendations: the low rate of acceptance of recommendations addressed to CEB and the lack of action by legislative bodies to endorse or reject recommendations. With regard to recommendations addressed to CEB, the Unit will reflect in 2015 on ways to enhance their acceptance and implementation in 2015.

76. Legislative bodies of all participating organizations concerned are involved during meetings spread out over a year or more. For recommendations requiring action by legislative bodies, the Unit calls again upon Member States to exercise their governance role by deciding on a concrete course of action and avoiding the ambiguity of the expression "takes note of". Such language is not conducive to the follow-up of recommendations, as it indicates neither agreement nor disagreement and leads to no subsequent action.

77. Good practice regarding explicit acceptance by the governing bodies of FAO, UNESCO and WHO is noted.

78. In 2014, the Unit sent letters to all permanent missions in New York and Geneva granting Member States a password to access the web-based tracking system to facilitate a more effective exercise of their oversight responsibilities.

Follow-up reviews

79. The Unit will continue to carry out follow-up reviews to specific reports, such as the 2014 follow-up inspection conducted pursuant to the 2009 review of management and administration in UNWTO. In 2015, a review of the status of the internal audit function in the United Nations system will follow up on the recommendations formulated in the Unit's report on that function (JIU/REP/2010/5). An analysis of the acceptance and implementation of the Unit's recommendations by its participating organizations will be also conducted in 2015.

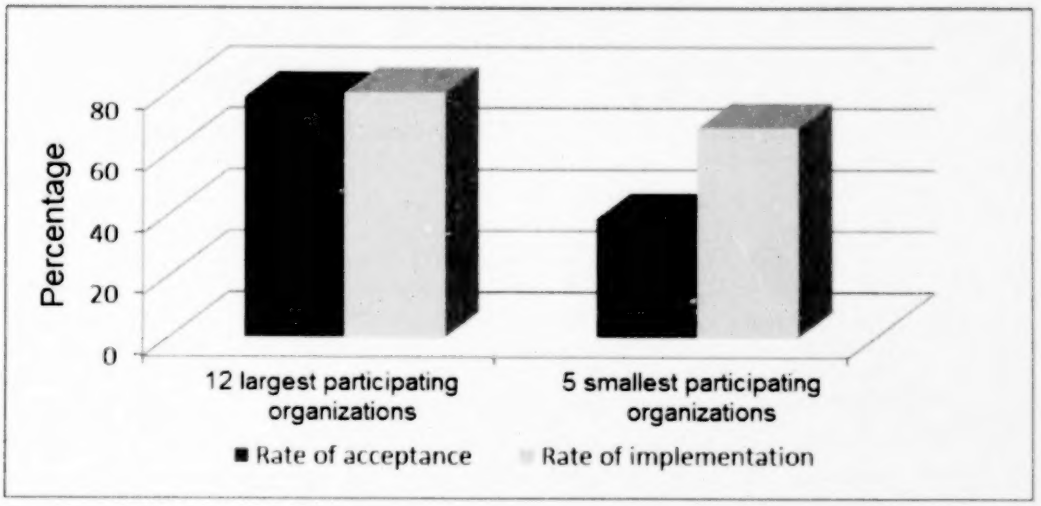
80. A closer analysis by organization (see annex II showing the aggregated status of acceptance and implementation of the recommendations of the Joint Inspection Unit by participating organizations, from 2006 to 2013) indicates that larger participating organizations[3] tend to have higher rates of acceptance (78 per cent) and implementation (80 per cent) than smaller organizations,[4] with the exception of WMO (see fig. II).

[3] FAO, ILO, UNDP, UNESCO, UNFPA, UNHCR, UNICEF, United Nations, UNOPS, UNRWA, WFP, and WHO.

[4] IMO, ITC, UNWTO, UPU and WMO.

Figure II

Acceptance and implementation rates of recommendations for the 12 largest and 5 smallest participating organizations (2006-2013)



Source: Web-based tracking system, January 2015.

81. The Unit notes the difficulties experienced by the five smallest organizations to fully accept and implement all the recommendations contained in the Unit's system-wide reports and notes. It was therefore decided that a more active dialogue with those organizations was required, when soliciting factual corrections and substantive comments to draft reports, in order to ascertain the capabilities of the organization concerned to accept and implement the recommendations at a later stage.

Chapter II
Continuous challenge of limited resources

A. Staffing and other resources and support

82. Owing to the scarcity of budgetary resources, the staffing of the secretariat of the Unit has remained at the same level for many years despite a growing demand for enhancement of the quality of reports and increased outreach in the follow-up to recommendations.

83. The 11 inspectors (at the D-2 level) (see annex IV) are assisted in their work by an Executive Secretary (D-2), nine evaluation and inspection officers (2 P-5s, 3 P-4s, 3 P-3s and 1 P-2), one investigator (P-3) and five research assistants (at the G-7 and G-6 levels). The evaluation and inspection officers and the research assistants were assigned to the 18 ongoing projects and other tasks. Five General Service staff continued to provide administrative, information technology, documentation management, editorial and other support to the Unit. The internship programme also provided valuable support capacity.

84. The vacancy rate was zero throughout the year. The post of Executive Secretary (D-2) became vacant in July 2014 and was filled very quickly on a temporary basis, which allowed work to continue without any disruption. The vacancy announcement for that post was approved by the Executive Office of the Secretary-General in December 2014 and was published at the beginning of 2015.

85. While the Unit has made efforts to achieve efficiency gains and to remain within the approved budget, the lack of travel resources for reviews that would require more costly field visits has affected the selection of topics and limited the scope of the reviews undertaken. Travel resources were mostly assigned to report preparation and, in a very small amount, to representation, outreach and fundraising.

86. In its resolutions 62/246 and 63/272, the General Assembly requested the Unit to report on any difficulty or delay in obtaining visas for the official travel of the inspectors, as well as members of its secretariat. Regrettably, a new incident was registered in 2014. One inspector was not granted a United States entry visa in time for his planned mission to United Nations Headquarters in connection with the preparation of a report assigned to him.

B. Regular budget: no growth in real terms

87. The regular annual budget allocated to the Unit for 2014 was $7.1 million, of which 92 per cent was for staff costs, including for the 11 inspectors. The remaining 8 per cent was allocated to other expenditures, including temporary assistance, consultants, travel and operational costs.

88. The regular budget of the Unit secretariat has not experienced any growth in real terms over the past 30 years. At the same time, the oversight purview has significantly grown in size, complexity and risks. The Unit currently oversees 28 United Nations entities, around 83,000 civilian staff and more than 60,000 non-staff personnel, as well as $40 billion of annual expenditure.

89. The repeated requests made by the Unit over the years to increase its staffing, consultancy and travel resources have had little success, in spite of the fact that the Unit's requests for additional regular budget resources have been underpinned by a series of General Assembly resolutions over the past years.

90. In its resolution 63/272, the General Assembly acknowledged the undertaking by the Unit of a medium- and long-term strategy approach for 2010-2019 and decided to consider any resources associated with the implementation of that approach in the context of future programme budgets.

91. A similar commitment was made in resolution 64/262, in which the General Assembly requested the Secretary-General to reflect relevant resource requests in the light of the ongoing development of the medium- and long-term strategy approach. The same request was reiterated in resolution 65/270.

92. An important factor leading to the stagnation of the Unit's budget is the constraints in the regular budget of the Secretariat of the United Nations. These regular budget resources form a major part of the Unit's budget. The Secretariat of the United Nations is also responsible for establishing the Unit's budget, in consultation with the Advisory Committee on Administrative and Budgetary Questions and CEB, and for submitting it to the General Assembly as part of the United Nations regular budget, in accordance with article 20 of the Unit's statute.

93. Those provisions in the statute have been interpreted to mean that the Secretariat can shortcut any request by the Unit for a budget increase, in such a way that the Unit's proposals never reach the Advisory Committee, CEB and Member States intact.

94. The current budget submission practice is an impediment to the work of the Unit and seriously curtails its independence. As a principle, the Unit's budget proposal should not be regulated by the secretariats of participating organizations that are themselves subject to evaluations, inspections and investigations conducted by the Unit. This may represent a conflict of interest.

95. In 2013, the peer review recommended that, in order to ensure the budgetary independence of the Unit, the Fifth Committee of the General Assembly should receive the Unit's original budget submission, together with the comments of CEB and the Advisory Committee on Administrative and Budgetary Questions.

96. The Unit reconfirms its position that its own budget proposal should be incorporated without any change into the overall budget estimates of the Secretary-General and submitted, with the comments of the Secretary-General and CEB, through the Advisory Committee, to the Fifth Committee of the General Assembly for its consideration. Only this process would ensure the full operational independence of the Unit, avoid conflicts of interest and ensure the accountability of the Unit to the General Assembly, as enshrined in its statute. The Unit also recalls that the Secretariat accepted a recommendation to that effect in response to the Unit's 2006 report on oversight lacunae (see A/60/860/Add.1).

97. The Unit looks forward to the support of Member States to ensure that the budgetary process in no way compromises the independence of the Unit.

C. Extrabudgetary resource mobilization in 2014

98. A contribution equivalent to $205,000 was received from one Member State (Norway) to finance part of the maintenance and upgrade of the web-based tracking system in 2014 and 2015 and the training of inspectors and staff, as well as to support two projects: the preparation of a system-wide report on fraud prevention and detection and a non-report activity aimed at benchmarking management and administration reviews.

99. ILO provided a grant of $80,000 for the review of the system-wide implementation of full and productive employment and decent work for all. WFP contributed $29,400 for the two-year review of safety and security in the United Nations system, while the Department for Peacekeeping Operations supported the team's mission travel. The Governments of three Member States(France, Germany and Japan) have funded three Junior Professional Officer positions for a period of two years.

100. Extrabudgetary resources do not represent a stable source of funding for data-processing functions, which have become structural features of the work of the Unit, such as the web-based tracking system and the Unit's website. Without a more stable funding base, it will be difficult to make improvements to those features and, consequently, to advance the ongoing reform aimed at enhancing the efficiency and effectiveness of the Unit in order to make it more useful and relevant to its stakeholders.

Chapter III
Outlook for 2015 and beyond

101. In 2015, the Unit will continue to improve the quality of its work with the support of Member States and in close cooperation with its participating organizations. In addition to implementing its annual programme of work, the Unit will give priority to the quality of its work and outreach activities along the lines described below.

102. As recalled by the General Assembly in several of its resolutions, the impact of the work of the Unit on the cost-effectiveness of activities within the United Nations system is a shared responsibility of the Member States, the Unit itself and the secretariats of the participating organizations.

A. Programme of work for 2015 and tentative roster for 2016-2017

103. The programme of work includes the topics to be taken up in 2015, as well as a tentative roster for the biennium 2016-2017. For the first time, oversight services and audit committees of participating organizations were involved in the selection process.

104. A preliminary list of 46 subjects for 2015 and for the biennium 2016-2017 was sent to the participating organizations for the usual rating process. A consolidated preliminary list including the outcomes of that consultation was considered by the Unit, resulting in the adoption of the programme of work for 2015 and in a preliminary roster for 2016-2017.

105. The programme of work for 2015 (see paras. 105-138 and annex V) includes 11 new projects, of which 9 of which are report-related and 2 are non-report projects. All reports will be of system-wide coverage, except for the management review of a participating organization. In addition, six projects, including one non-report activity started in 2014, will be completed in 2015.

106. The Unit has identified a number of potential topics for the biennium 2016-2017. The roster is not exhaustive and is subject to change. The Unit will identify topics within the list for fundraising. Another aim is to avoid possible duplication with the work of internal oversight services of participating organizations and other oversight bodies.

Summaries of projects in the programme of work for 2015

Recommendations to the General Assembly for the determination of parameters of a comprehensive review of United Nation system support for small island developing States

107. Following the adoption by the General Assembly of resolution A/69/217 on the follow-up to and implementation of the Mauritius Strategy for the Further Implementation of the Programme of Action for the Sustainable Development of Small Island Developing States, the Unit has included a study in its programme of work for 2015 to provide the Assembly with recommendations to ensure the effective implementation of the Barbados Programme of Action, the Mauritius Strategy and the SIDS Accelerated Modalities of Action (SAMOA) Pathway towards sustainable development of small island developing States.

108. The study will contain advice for the General Assembly on determining the parameters of a comprehensive review of the United Nation system support for small island developing States, with a view to enhancing the overall effectiveness of such support to the sustainable development of those States as well as to ensure a coherent and coordinated approach by the United Nations system organizations.

109. The study will make use of the extensive data already available to provide a concise informative and strategic analysis. It will identify the elements for a results-oriented strategy to achieve sustainable development for the concerned States through a more effective and efficient coordination of the support provided by the United Nations system organizations. The results of this study and related recommendations will be submitted to the General Assembly for consideration during its sixty-ninth session.

110. Based on the findings of the review of parameters, a full review could be undertaken in the second half of 2015, subject to the availability of resources.

System-wide review of results-based management (phase II)

111. The project responds to the request made by the General Assembly in in its resolution 67/226 for a system-wide review of results-based management, including results tracking and results reporting. Results-based management derives its significance from the demand for the United Nations system to demonstrate that it is achieving its objectives and meets high standards of quality, coherence, efficiency and sustainability. Many issues have been raised with regard to results-based management in the United Nations system. There is a considerable variety in approaches and progress on the main components of a results-based management system.

112. The project is implemented in two phases. The first phase was completed in 2014 as a non-report activity involving the development of a comprehensive results-based management benchmarking framework, which defined the key pillars, the associated components and the performance indicators for each component. The framework built upon and updated the framework developed by the Unit in 2005. The value of this product was to promote the development of a common framework and greater coherence and coordination among organizations, and the identification of good practices in results-based management in the United Nations system.

113. The second phase of the project aims at conducting a system-wide review of results-based management in order to improve its relevance, efficiency, coherence and effectiveness. The review will focus on the level of development of results, results reporting and the use of results for management. This will be done for a selected number of organizations that are involved in operational activities for development.

114. The review will examine key issues associated with quality, coherence, alignments, capacities and change management processes. Where necessary, alignment in scope will be made with the two planned pilot independent system-wide evaluations addressing the meta-evaluation of the evaluations of the United Nations Development Assistance Framework and the contribution of the United Nations system to strengthening national capacities in statistics.

Independent system-wide evaluation I: meta-evaluation and synthesis of United Nations Development Assistance Framework evaluations, with a particular focus on poverty eradication

115. The United Nations Development Assistance Framework is the strategic programme framework that describes the collective response of the United Nations system to national development priorities. The triennial comprehensive policy review undertaken in 2007 encouraged the United Nations development system to intensify its collaboration at the country and regional levels to strengthen national capacities, in support of national development priorities, through the common country assessment, when required, and the United Nations Development Assistance Framework. The review recognized the potential of the Development Assistance Framework and its results matrix as the collective, coherent and integrated programming and monitoring framework for country-level contributions.

116. The current United Nations Development Assistance Framework guidelines, issued in 2010, require that all development assistance frameworks be evaluated. According to those guidelines, evaluations should provide an assessment of the relevance, efficiency, effectiveness, impact and sustainability of the United Nations system's contribution, as described in the Development Assistance Framework document. The scope of the evaluations is based on core programming principles (results-based management, human rights, national ownership, gender equality, capacity-building, etc.). The results of the evaluations should be made available in the penultimate year of the cycle, so that their findings and recommendations can be used in the preparation of the following Development Assistance Framework. United Nations Development Assistance Framework evaluations are conducted in a decentralized manner and are handled at the country level by the United Nations country teams, with the help of consultants.

117. During the period under review (2009-2014), the United Nations system managed to produce more than 40 Development Assistance Framework evaluations. In its resolution 68/229, the General Assembly decided that a meta-evaluation and synthesis of United Nations Development Assistance Framework evaluations, with a particular focus on poverty eradication, would be conducted. The meta-evaluation will assess the quality of the Development Assistance Framework evaluations and their reliability as a tool to assess the role and contribution of the United Nations system at the country level in the achievement of national goals and priorities, in particular with regard to poverty eradication. Credible and useful information emanating from these evaluations will be synthesized. The meta-evaluation will contain recommendations as to the further conduct of evaluations at the country level in the context of the United Nations development agenda beyond 2015.

Independent system-wide evaluation II: Evaluation of the contribution of the United Nations development system to strengthening national capacities for statistical analysis and data collection to support the achievement of the Millennium Development Goals and other internationally agreed development goals

118. More than 30 United Nations system organizations have been involved in developing global, regional and national statistics and in supporting countries in the development of statistical systems and the generation of data and statistical analysis and reporting for use at the national, regional and global levels. The success and

challenges of the United Nations system in strengthening national capacity for statistics have, however, never been fully assessed. For the United Nations system to continue to play a critical role and to add value in the current context of changing agendas and growing development actors, there is a need to better understand what has worked or not worked in the measurement and generation of quality data, data analysis and reporting, the access to and use of data, and the development of systems to support such functions.

119. The evaluation will assess the relevance, coherence, partnerships, effectiveness, impact and sustainability of the combined contributions of the United Nations entities towards the achievement of objectives for statistical capacity-building by the United Nations development system. It will highlight the factors affecting performance, including limitations, key constraints and challenges. It will examine the level of readiness and capacities of the United Nations development system for addressing emerging changes and imperatives posed by the United Nations development agenda beyond 2015.

120. The information will guide the future role and contribution of the United Nations development system in statistical capacity, including cooperation and coherence in defining what gets measured, generating quality data and frameworks for statistical analysis and for reporting, and the use of data to support management and decision-making. As a pilot effort addressing the results of United Nations system interventions, as well as innovations in the approaches and methods, and in the management of a system-wide evaluation of operational activities for development, the exercise will provide valuable lessons for the future conduct of system-wide evaluations.

Fraud prevention and detection in the United Nations system

121. In response to concerns expressed by oversight bodies about the unusually low levels of fraud reported by United Nations system organizations, the Unit will undertake a review of the management of fraud risk, prevention and detection practiced by those organizations.

122. The review will focus on fraud control management and the existence and implementation of anti-fraud policies and procedures in allowing effective prevention, detection and reporting of fraud. The review will assess the organizations' fraud governance frameworks, fraud risk assessments, prevention and detection controls and mitigation mechanisms in place, fraud awareness programmes, internal and external monitoring and reporting systems, fraud investigation caseloads, resources dedicated to fraud prevention and detection, and the disciplinary systems in place for dealing with fraud.

123. The review will also examine how coherent and comparable the United Nations system organizations' anti-fraud policies and procedures are, examine system-wide coordination and cooperation related to fraud prevention and detection, and promote and disseminate best practices across the United Nations system.

Status of the internal audit function in the United Nations system

124. The internal audit function is an independent, objective assurance and consulting activity designed to add value and improve an organization's operations.[5]

[5] Definition by the Institute of Internal Auditors (see www.theiia.org).

Internal auditing is an important element for improving corporate governance, risk management and internal controls in any organization.

125. Taking into account the key role of the internal audit function in the good governance of organizations, the Unit aims to review periodically developments and key issues relating to the audit function in the United Nation system. In this context, the Unit prepared two reports related to the audit function in the past nine years (A/60/860/Add.1 and JIU/REP/2010/5).

126. The present review will build upon those reports, follow up on the recommendations they contain, as appropriate, and assess the current status of the internal audit function across the system with a view to identifying best practices, lessons learned and areas for improvement.

Ombudsman services across the United Nations system

127. The ombudsman function established in the United Nations Secretariat, its funds and programmes, and in a number of its specialized agencies, constitutes an important mechanism for the informal resolution of workplace disputes. Moreover, ombudsmen highlight patterns and cross-cutting or systemic issues identified during their activities as causes of conflict in their respective organizations.

128. The review will examine how this dual role of the ombudsmen has evolved across the United Nations system over the past years, taking into account existing mandates and legal frameworks, as well as challenges met in the discharge of their duties. Focusing on the impact of the ombudsman services on changes introduced and other steps taken by management to prevent conflict and secure a harmonious working environment in each organization, the review will also identify relevant good practices.

Succession planning in the United Nations system organizations

129. The review of succession planning will examine to what extent and in what ways United Nations system organizations assess their future staffing needs under mobility policies and in view of staff retirement. The review will map and analyse succession planning across the system, that is it will study how organizations forecast vacancies and changes in staff population demographics.

130. Without adequate succession planning, organizations risk facing gaps in their business continuity. They need to ensure that they recruit, train and retain talented, skilled, qualified and motivated staff members who are able to take over key functions and posts whenever they become vacant.

131. The system-wide review will identify good practices in succession planning and recommend improvements to policies and practices related to such planning.

Review of management and administration in the International Telecommunication Union

132. As the United Nations specialized agency for information and telecommunications technology, ITU plays a key role in an increasingly interconnected world. It is an important global organization embracing a wide range of players in this dynamic sector. The Unit conducted a management and administration review of ITU in 2001 (JIU/REP/2001/3). Since then, its business

and operational environment have undergone significant changes, owing to the rapid evolution in telecommunications and information and communications technology. This evolution, as well as the vital global role of ITU, makes it timely and relevant to conduct another review, especially in the light of the fact that a new executive management team started in January 2015.

133. Considering the specific features of ITU, the review will focus on governance, executive management, strategic planning, financial management, human resources management and oversight, as well as on any other corporate function identified as relevant during the review. The Unit's team intends to distil good practices and offer suggestions for improvement. The status of implementation of the Unit's recommendations concerning the ITU regional presence (JIU/REP/2009/3) will also be considered.

Partnership in the independent system-wide evaluation: implementation of the pilot phase

134. The initiative for the independent system-wide evaluation of operational activities for development draws on existing mechanisms for evaluation in the United Nations system, comparative advantages, added value and knowledge assets.

135. An interim coordination mechanism was established to support Member States in developing the policy framework for independent system-wide evaluation and to identify pilot evaluations. The interim coordination mechanism will also monitor the pilot efforts and the institutional framework for its implementation, report on progress, challenges and successes, and propose next steps for those evaluations. The mechanism comprises institutions conducting system-wide and inter-agency evaluations and analytical work, and includes the Unit, the United Nations Evaluation Group, the Office for the Coordination of Humanitarian Affairs, OIOS and the Department of Economic and Social Affairs of the United Nations Secretariat. The United Nations Development Group has observer status. The Unit has played and will continue to play a major role in enhancing the development and continued operation of the mechanism, including serving as its Chair.

136. The Unit, without prejudice to its functioning in accordance with its statute, hosts the independent system-wide evaluation coordination secretariat, chairs the evaluation management groups, reviews the recommendations of evaluations and issues the evaluation reports on behalf of the groups. Before issuing the reports, and in accordance with the relevant articles of the Unit's statute, the Unit will review and, if appropriate, comment on the validity of the recommendations, as well as provide relevant strategic advice to the groups and the evaluation teams.

137. As part its reform agenda for change and transformation, the Unit has been exploring new modalities for conducting system-wide analyses and evaluations, and the independent system-wide evaluation provides the opportunity for the Unit to exercise its leadership role in the independent system-wide evaluation, for leveraging the evaluation assets of the United Nations and for enhancing coherence in the evaluation function of the United Nations system.

Review of the acceptance and implementation of the recommendations of the Joint Inspection Unit by organizations

138. Two years after the introduction of the web-based tracking system, which has allowed for statistical analysis and reporting on the acceptance and implementation of recommendations contained in its reports and notes, the Unit has decided to undertake a review of the acceptance and implementation of its recommendations, as a non-report activity.

139. The Unit does not have the resources to undertake an in-depth analysis of the relevance and impact of its reports and notes. The acceptance and implementation rates of recommendations have hence been used as the best proxy indicator of the use of the Unit's products. The objective of this review is to examine the system in place in the Unit's participating organizations to follow up on the acceptance and implementation of its recommendations.

140. The review will identify best practices and draw lessons to enhance the follow-up process. It is also expected that the review will prompt action by organizations to clear outstanding recommendations.

B. Enhanced quality and outreach

141. To make its work more relevant and useful for its stakeholders, the Unit is committed in 2015:

(a) To implement further the peer review panel and self-evaluation recommendations;

(b) To better plan ahead, identifying potential topics for its programme of work in a biennial roster;

(c) To improve the quality, relevance and timeliness of its reports;

(d) To enhance the web-based tracking system and the Unit's website;

(e) To follow up on recommendations more effectively;

(f) To reach out to stakeholders proactively.

C. Submission for the regular budget for the biennium 2016-2017

142. The Unit is in need of increased consultancy, travel and data-processing funds. This is due to the following factors:

(a) The diverse nature of subjects evaluated by the Unit requires specialized knowledge in a wide number of different areas, which often makes the use of external consultants essential;

(b) The current travel budget of the Unit barely covers visits to the organizations' headquarters and hardly allows for field coverage, whereas increasingly complex United Nations operations require more field coverage to ensure the conduct of proper oversight activities;

(c) The web-based tracking system was developed in response to a request from the General Assembly and has been funded by the Unit's participating organizations; it now needs to be maintained.

143. Despite the legitimate need of the Unit for an increase in resources, supported by resolutions adopted by Member States as well as the peer review panel recommendation to increase the Unit's budget by an additional $830,000 per year, the Unit, fully aware of the extraordinarily difficult financial situation faced by Member States and the participating organizations that share the funding of its budget (see annex III), has decided to request only an absolute minimum increase of 1.14 per cent in its 2016-2017 budget proposal, equivalent to $185,200. This amount comprises $109,300 for maintaining and hosting the web-based tracking system, $21,600 for upgrading that system and $54,300 for hosting the Unit's website.

144. This minimum increase is critical to ensuring the long-term financial capacity to maintain the system. Without these resources, there is a risk of having invested in a new and effective system without being able to service it, hence losing the investment by participating organizations and the efforts of the Unit to develop the web-based tracking system.

D. Extrabudgetary resource mobilization

145. The Unit will continue its extrabudgetary fundraising efforts during 2015. To this end, the inspectors will identify a number of potential topics and projects that require additional financing in 2015 and during the biennium 2016-2017. The Unit calls upon donors and other countries in a position to do so to make contributions to specific projects and to maintain the financing of Junior Professional Officer positions. Participating organizations are requested to support projects of interest to them.

E. Recommendations of the Joint Inspection Unit

146. **The General Assembly, recalling its resolutions 63/272, 64/262 and 65/270, may wish:**

(a) **To request the Secretary-General to submit the original budget proposal of the Joint Inspection Unit directly to the Fifth Committee, together with comments from CEB and the Advisory Committee on Administrative and Budgetary Questions;**

(b) **To secure the investment made in the web-based tracking system by allocating the required resources for its maintenance and upgrade costs for the biennium 2016-2017 and beyond, amounting to the modest increase requested in its regular budget proposal for 2016-2017 of $185,200 for the maintenance and upgrade of the web-based tracking system and the Unit's website;**

(c) **To encourage donors and other countries in a position to do so to make extrabudgetary contributions to specific projects and to maintain the financing of Junior Professional Officer positions to enhance the Unit's oversight capacity.**

Annex I

Status of implementation of the programme of work for 2014 as at 31 December 2014*

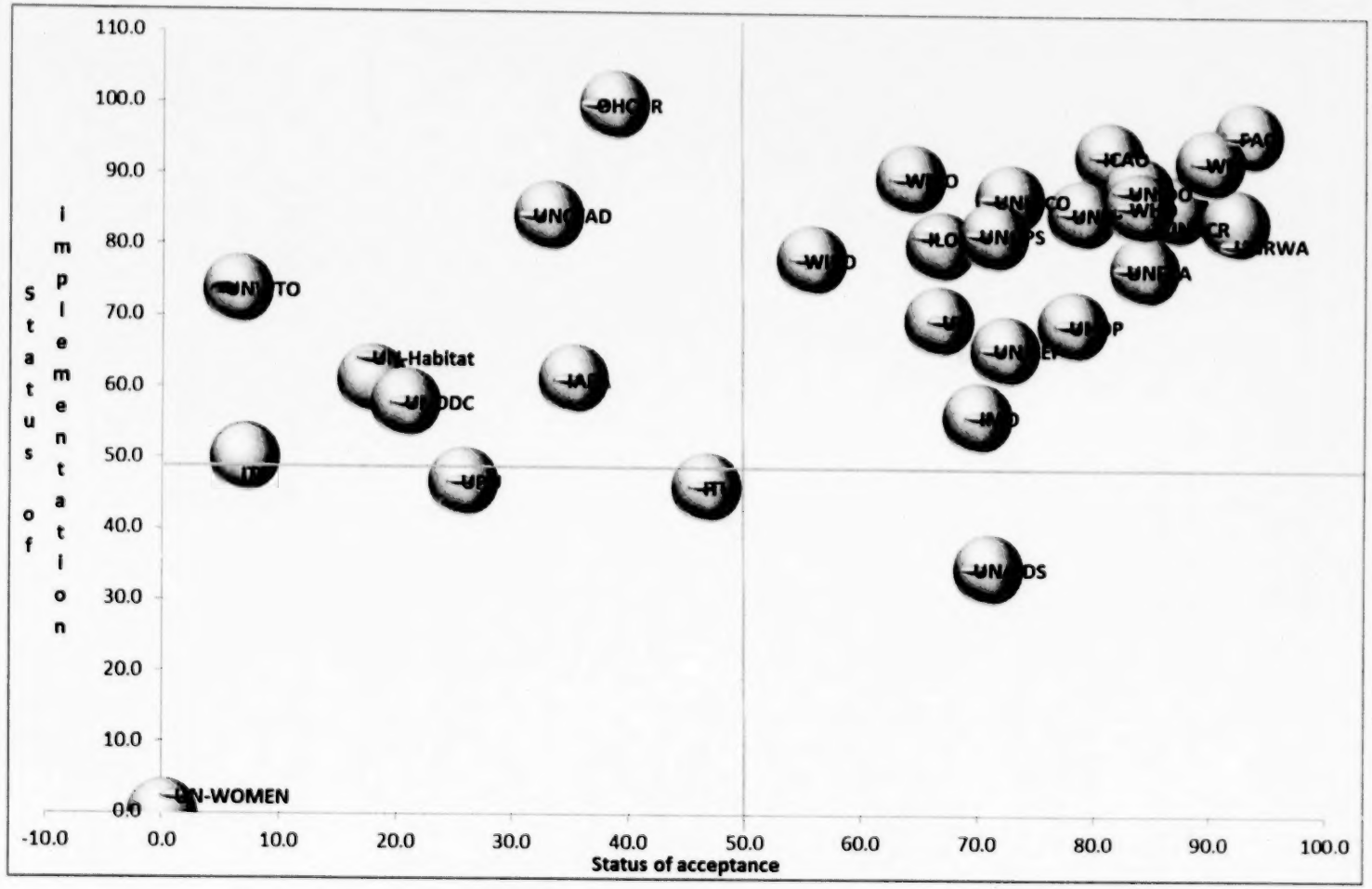
Project title	*Symbol completion date*
Analysis of the resource mobilization function within the United Nations system	A/69/737
Review of management and administration in the World Intellectual Property Organization	JIU/REP/2014/2
Capital, refurbishment and construction projects across the United Nations system	JIU/REP/2014/3
Review of environmental governance within the United Nations system	A/69/763
Follow-up inspection pursuant to the review of management and administration in the World Tourism Organization undertaken in 2009	JIU/REP/2014/5
Analysis of the evaluation function in the United Nations system	JIU/REP/2014/6
Review of management and administration in the Office of the High Commissioner for Human Rights	JIU/REP/2014/7
Use of non-staff personnel and related contractual modalities in the United Nations system organizations	JIU/REP/2014/8
Contract management and administration in the United Nations system	JIU/REP/2014/9
Use of retirees and staff retained beyond the mandatory age of separation at the United Nations organizations	JIU/NOTE/2014/1
Support to independent system-wide evaluation (start-up phase)	Non-report project, completed
System-wide review of result-based management in the United Nations system (phase I)	Two-year project, phase I completed
Review of the system-wide implementation of full and productive employment and decent work for all	To be completed in January 2015
Review of public information policies and practices in the United Nations system	To be completed by March 2015
Review of cooperation among regional commissions of the United Nations	To be completed by May 2015
Comprehensive review of activities and resources allocated to climate change within the United Nations system	To be completed by June 2015
Review of safety and security in the United Nations system	Two-year project to be completed in September 2015
Benchmarking framework for management and administration reviews in the United Nations system organizations	Two-year non-report project to be completed in December 2015

* Includes projects carried forward from 2013. Reports and notes are available at www.unjiu.org.

Annex II

Aggregated status of acceptance and implementation of the recommendations of the Joint Inspection Unit by participating organizations, 2006-2013

(percentage)



Annex III

List of contributing organizations and their percentage share in the costs of the Joint Inspection Unit for 2014-2015

Organization	*Percentage*
FAO	4.9
IAEA	1.8
ICAO	0.7
ILO	2.0
IMO	0.2
ITU	0.7
PAHO	3.0
UNAIDS	1.0
UNDP	18.9
UNESCO	2.9
UNFPA	2.8
UNHCR	6.7
UNICEF	12.4
UNIDO	0.8
United Nations	13.7
UNOPS	4.1
UNRWA	1.9
UN-Women	0.7
UNWTO	0.1
UPU	0.2
WFP	12.2
WHO	6.9
WIPO	1.1
WMO	0.3

Preliminary percentages based on the proposed budgets for the biennium 2014-2015, as endorsed by the Finance and Budget Network (document CEB/2013/HLCM/FB/9), are subject to recosting and decisions of the Advisory Committee on Administrative and Budgetary Questions and the General Assembly. The United Nations entry includes the United Nations, the United Nations Institute for Training and Research, ITC, ICSC, the International Court of Justice, the United Nations Joint Staff Pension Fund and the United Nations University. It excludes the United Nations Compensation Commission, the International Criminal Tribunal for Rwanda, the International Tribunal for the Former Yugoslavia and the Department of Peacekeeping Operations.

Annex IV

Composition of the Joint Inspection Unit

1. The composition of the Joint Inspection Unit for 2014 was as follows (each inspector's term of office expires on 31 December of the year indicated in parentheses):

Cihan Terzi, Chair (Turkey) (2015)

Jorge Flores Callejas, Vice-Chair (Honduras) (2016)

Gopinathan Achamkulangare (India) (2017)

George Bartsiotas (United States of America) (2017)

Gérard Biraud (France) (2015)

István Posta (Hungary) (2015)

Jean Wesley Cazeau (Haiti) (2017)

Papa Louis Fall (Senegal) (2015)

Tadanori Inomata (Japan) (2014)

Sukai Elie Prom-Jackson (Gambia) (2017)

Gennady Tarasov (Russian Federation) (2017)

2. In accordance with article 18 of its statute, which provides that the Unit shall elect each year among the inspectors a chair and a vice-chair, the Bureau for 2015 is as follows:

Jorge Flores Callejas (Honduras), Chair

Jean Wesley Cazeau (Haiti), Vice-Chair

Annex V

Programme of work for 2015*

Project No.	*Title*	*Type*
A.404	Recommendations to the General Assembly for the determination of parameters of a comprehensive review of United Nation system support for small island developing States	System-wide
A.405	System-wide review of results-based management (phase II)	System-wide
A.406	Independent system-wide evaluation I: meta-evaluation and synthesis of United Nations Development Assistance Framework evaluations, with a particular focus on poverty eradication	System-wide
A.407	Independent system-wide evaluation II: evaluation of the contribution of the United Nations development system to strengthening national capacities for statistical analysis and data collection to support the achievement of the Millennium Development Goals and other internationally agreed development goals	System-wide
A.408	Fraud prevention and detection in the United Nations system	System-wide
A.409	Status of the internal audit function in the United Nations system	System-wide
A.410	Ombudsman services across the United Nations system	System-wide
A.411	Succession planning in the United Nations system organizations	System-wide
A.412	Review of management and administration in the International Telecommunication Union	Single organization
A.413	Partnership in the independent system-wide evaluation: implementation of the pilot phase	Non-report
A.414	Review of the acceptance and implementation of the recommendations of the Joint Inspection Unit by organizations	Non-report

* Subject to change during the year.

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